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Organizational Reputation: For Public Organizations

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Organizational Reputation and “Fake News”

I. What is organizational reputation?
Within the public sector, organizations are becoming more aware of what a positive and favorable reputation for an organization really means. The value of the organization has been put at the forefront, especially in a digital society where the ability to provide a positive or negative view of an organization is only a click away. Media awareness, including quality control measurements of trust and favorability with the public, has increased dramatically within the public sector. Public agencies rely on constituent trust to cultivate their reputation. Citizen trust in public sector organizations is central, for it enables and authorizes the organizations to function. More vulnerable to societal influences and settings, the reputation of public sector organizations is influenced not only by the service type but also by the reputation of the sector. (Motion, 2016, pg 598). This section proposes a multidimensional definition of organizational reputation and its significance in the public and nonprofit sector.

Reputation is an important component for an organization’s success. The reputation for an organization consists of familiarity with the organization and beliefs about what to expect from the organization in the future. In his article, “Reputation,” for the Institute of Public Relations (2011), Elliot Schreiber synthesized the definition of reputation from a variety of academic and professional backgrounds. Schreiber asserts that there are two perspectives of reputation: the perspective of the organization and the perspective of the stakeholder (2011). “From the perspective of the organization, reputation is an intangible asset that allows the company to better manage the expectations and needs of its various stakeholders, creating differentiation and barriers vis-à-vis its competitors. From the perspective of stakeholders,
reputation is the intellectual, emotional and behavioral response as to whether or not the communications and actions of an organization resonate with their needs and interests (Schreiber, 2011).”

Organizational reputation is important for several key reasons. First, reputation provides an unique benchmark by which the public views an organization. Secondly, there are a large number of citizens and employees that have an emotional bond with particular public organizations due to their reputation. Also, people recommend your public organization, other stakeholder/entities support you, and employees are more aligned with the agencies goals/strategic plans based on the reputation of the organization. Strong reputational effects provide an incentive for bureaucrats not to squander resources (Picci, 2018). Public administrators and key stakeholders must realize that they have ownership and control over a public entity’s reputation.

Public agency reputation is formed using several factors including: leadership, performance, workplace, product/services, innovation, and governance.
II. Organizational Reputation: How is it usually formed?

The public sector can create and uphold their reputation through the process of adopting a strategic plan. The strategic plan includes the vision, missions, goals, values, and mark differentiators. The governing boards for those key concepts for the public-sector entity can establish the strategic plan.

The vision states what the public agency strives to become. The mission states why the agency is in existence. The departments within the agency can develop priorities that create the framework for shifting resources to support and obtain the agency goals.

According to the Reputation Management: A Framework for Measurement and Valuation report (2005), public agency reputation is formed through several channels:

1. Leadership - Believe the organization’s leaders are visionary and excellent leaders; and strong endorsers of their company
2. Performance - Believe the organization has strong financial stability & support and caters to the those who consume the service/product
3. Workplace - Belief that the organization values its employees by maintaining a good workplace, rewarding and treating employees
4. Product/services - Belief that the organization products/services are delivered in high quality & services to meet the consumers needs.
5. Innovation - Belief that the organization is creative, forward thinking, and adaptive
6. Governance - Belief the organization is fair, ethical, and transparent

Organizational reputation involves the following supportive behavior:
1. Monetary Support - Will people, if they had an opportunity, purchase the services from this public organization?
2. Recommendations - Will people would recommend this organization to others?
3. Crisis proof - Do you trust the organization to do the right thing if they faced an issue with a product or service?
4. Verbal support - Would you say something positive or negative about the organization?
5. Investments - Would you invest in the organization?
6. Work - Would you work for the organization?

Furthermore, the Reputation Institute (2005) suggests six key steps in managing reputation:

Outside-In Analysis, when an organization asks: How are we perceived by our key stakeholders? Next, the Inside-Out Analysis asks: What do we say about ourselves? Do we have good “story” to tell? Do we tell our story well? The Gap Analysis is when an organization identifies what’s “real” and what’s not. Consistency is the next step and is the step where an organization asks: is what we do consistent with what we say? Distinctiveness is when an organization seeks to stand out in how or what they say and do. Finally, an organization must be mindful of Reputation Risk: How can we stand out more? What are the downside risks of standing out?

Although these steps were designed for corporate reputation management, public sector organizations can use these to answer seminal questions and guide the organization to creation of meaningful and impactful brand management.

In the article, “Reputation and Public Administration,” by Daniel Carpenter and George Krause (2011) they indulge in the realm of organizational reputation in public administration. Both authors administer a better understanding of what organizational reputation is and how it is formed in correlation to public administration in a reputation society. They both accentuate a
simple understanding of the function of public agencies reputation within the autonomy of our bureaucratic nature. The article portrays 4 forms of organizational reputation that can be used as a basis that shapes the public's reactions to organizations and how organizational reputations are formed.

• Performative reputation: Can the agency do the job? Can it execute charges upon its responsibility in a manner that is interpreted as competent and perhaps efficient?

• Moral reputation – Is the agency compassionate, flexible, and honest? Does it protect the interests of its clients, constituencies, and members?

• Procedural reputation – Does the agency follow normally accepted rules, however good/bad its decisions?

• Technical reputation – Does agency have the capacity and skill required for dealing in complex environments, independent of and separate from its actual performance? (Carpenter & Kraus, 2011, pg. 4). These forms are an understanding that public sector organizations face continuous pressure of handling constant changes of agency management and organizational decisions that help the agencies stay consistently efficient in regards to escaping criticism from audiences at odds with the organization. This is where the reputation of organizations are formed, the conceptualization of image. In addition there is a focus on the agency having a satisfactory reputation of being open and transparent to the public. Does the organization adhere to and focus on its stakeholders for the benefit of the organization. Specifically, to be perceived as creating public value for their stakeholders, governments need to actively manage their relationships with their constituents to ensure continued support.
In the article, “Organizational Reputation: The Content of Public Allegations and Regulatory Communication,” Sharon & et al (2013) focused on a public agency in Israel allegations that posed a threat to the agency reputation and how that agency managed those threats so it would not affect their organizational reputation. The authors focused on the agency’s management of the public's perception of the organizations role and capabilities by way of regulatory communication strategies for their reputation. The article concentrates on agencies communication pattern to adhere to keeping a positive reputation by way of either ignoring a negative reputation in hopes of eliminating the negative nuances or stepping up and taking control of what way their reputation is shaped. Sharon et. al (2013) found that “ We conclude that regulatory choice of response is shaped by the content of allegations and the relative threat that they pose to the agency’s distinct reputation. We argue that certain types of claims are inherently more threatening, and therefore more likely to induce an acknowledgment of a problem. What this article provides us with is a view into how organizations can regulate the implications of their reputations whether good or bad. Adhering to a favorable reputation in the public sector context comes by way of agencies such as the one in this article properly managing threats that underline the content of agencies. In correlation to organizational reputation and fake news the threats of false news and misleading opinions presents a challenge for organizations and the cultivation of a favorable reputation.
III. What is organizational reputation in the era of “fake news”?

The way people access their news has changed drastically over the course of a few years, not counting the decades of change that preceded them. Long gone are the days when one had to wait up to twenty-four hours, or until the next news cycle, for current events. Now, news is referred to as content and can be accessed almost anywhere at any time. According to the Pew Research Center (as cited in West, 2017), “as of 2017, 93 percent of Americans say they receive news online.” Furthermore, Nic Newman’s study for Reuters,“Digital News Sources,” (as cited in West, 2017) found that reliance on social media for news among Americans rose by the largest margin of all other mediums from 27% to over 50% in 2017. With this increase in digital formats, all organizations feel the pressure to have increasingly specialized content for their target audience.

Nonprofit and public organizations are not immune to the force of the twenty-four hours news cycle. These organizations in particular already struggle with public indifference and mistrust. With that in mind, public and nonprofit organizations must focus creating meaningful content in the a la carte style in which most citizens consume their news. Gallup (2017) found that, “a solid majority of the country believes major news organizations routinely produce false information (as cited in West, 2017).” Therefore, “...it is important that government, business, and consumers work together to solve these problems. Governments should promote news literacy and strong professional journalism in their societies (West, 2017).”

Fake News
For a term that seems to be as ubiquitous as fake news is, it could be inferred that a concise, explicit definition would be easy to ascertain from a multitude of well-researched sources. Furthermore, because of its attribution to a figure relatively new to the political landscape it may appear as if the term fake news is also new. Well, that is half right, sort of. Merriam-Webster (2017) contends that, “Fake news is frequently used to describe a political story which is seen as damaging to an agency, entity, or person. However... it is by no means restricted to politics, and seems to have currency in terms of general news.” So to the question of what is the definition of fake news, Merriam-Webster’s answer is: it’s complicated. Also, for those who consider it a new term are correct, relatively. “'Fake news' is a new term. That means it's only about 125 years old (Merriam-Webster, 2017).” A reason, they assert, that this phrase is a new addition to our societal vocabulary is that the word ‘fake’ is relatively new. Finally, Merriam-Webster supposes that this phrase may never be entered into their dictionary because it is a “self-explanatory compound noun, a combination of two distinct words, both well known, which when used in combination yield an easily understood meaning (2017).” As most social researchers already know, it is never that simple. A public-sector organization must make an operational definition for fake news using terms relative to the business it conducts and its stakeholders and, more importantly, how to conduct that business with the highest integrity with a grasp of media literacy and practical applications.
IV. Media Literacy and Practical Applications

This trend of reputational damage is indeed negative in nature but can also be switched as a positive for the benefit of one's organization. The positives in regards to organizational reputation stem from media awareness and monitoring news media through a social media standpoint with tools such as twitter, Facebook, and other social media outlets to pinpoint and fight for the brand and reputation of the organization. Social media is what has brought the implementation of fake news to the forefront, and in this societal era monitoring an organization's reputation through this method is what will help the organizations longevity. To date, social media, especially social networking sites, have captured 11% of all online advertising spending, reaching an estimated 3.08 billion dollars, a 55% increase over the 1.99 billion dollars reportedly spent on social networking sites in 2010. Interestingly, brand value through public relations tactics is not only more cost effective, but it is 27% more effective than that of advertising at 2.3% in media prominence (Issa 2011, pg. 6).

In his December 2017 report, “How to combat fake news and disinformation,” Darrell West asserts that, “government, business, and consumers work together [to solve the problems of fake news and disinformation].” He alludes to the public sector as only government and suggests three responsibilities of this sector. The first responsibility is to “encourage independent, professional journalism,” because a Fourth Estate that is independent of public authority and in good health is paramount. Second, West (2017), suggests that crackdowns on the news media hamper their ability to cover the news without censorship which is why governments should avoid activities such as those that will limit freedom of expression. Finally, he reiterates his call for avoiding censoring content while further asserting that governments should make online platforms liable for misinformation. West argues that fear of being censored as “fake news”
could make, “people hesitant to share their political opinions,” with the result being curbed freedom of expression.

V. Conclusion

In order for a public agency to acquire and maintain a positive reputation, it is incumbent upon the strategic plan, dimensions of reputations, and behavior. It’s also important to be accountable and transparent about the actions taken by the public agency executive administration that affect the public, stakeholders, shareholders, and etc.

The public sector should focus on creating a significant impact on its reputation through efforts to generate news coverage, create positive news stories, steer negative media coverage/publicity, and take advantage of using various social media platforms to squash rumors.


